ABSTRACT

Taxes are an important source of funding for the Indonesian economy. In line with the main function desired in tax regulations, namely the budget function (budget), tax is currently the largest source of revenue in the State Budget (APBN). This study aims to test and determine the effect of Profitability, Leverage, Disclosure of Corporate Social Responsibility variables as measured by Return On Assets, Debt to Equity Ratio and Corporate Social Responsibility Index in predicting Tax Avoidance in Automotive Manufacturing Sub Sector Companies and Components Listed on the Stock Exchange Indonesia for the 2014-2018 period.

The research method used is descriptive and verification methods. In this study, of the 13 companies registered in the Automotive and Components Sub Sector company, 7 companies were taken using non-probability sampling using purposive sampling. The type of data used in this study is secondary data using 2014-2018 financial statement data. The research data were processed using SPSS Version 25 software to test the classic assumption test, logistic regression analysis, model suitability test, and hypothesis test (Wald Test).

Profitability, Leverage, Corporate Social Responsibility Disclosure simultaneously gives an effect of 84.4% in predicting Tax Avoidance, while 15.6% is outside the variables not examined in the study. Partially, profitability has a significant effect in predicting Tax Avoidance. Partially, Leverage has a significant effect in predicting Tax Avoidance. Partially, Corporate Social Responsibility Disclosure has a significant effect in predicting Tax Avoidance. Profitability has an influence of 32.1%. Leverage only has an effect of 29.4%, and Corporate Social Responsibility Disclosure has an effect of only 22.9%.

Keywords : Profitability, Leverage, Corporate Social Responsibility Disclosures and Tax Avoidance